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Proposed revisions to the medium-term plan for the period 1998-2001

Programme 16. Economic development in Europe

1. The preparation, format and content of the medium-term plan and its revisions are governed by the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation.

2. Regulation 3.11 provides, *inter alia*, that the medium-term plan shall be revised as necessary every two years to incorporate required programme changes and that the proposed revisions shall be as detailed as required to incorporate the programme implications of the resolutions and decisions adopted by the intergovernmental organs or international conferences since the adoption of the plan.

3. The revisions proposed below modify the narrative of programme 16, Economic development in Europe, of the medium-term plan for the period 1998-2001, which was adopted by the General Assembly in its resolution 51/219 of 18 December 1996 and issued in document A/51/6/Rev.1 and Corr.1.

4. As indicated in paragraph 18.11 of the programme budget for the biennium 1998-1999, (A/52/6/Rev.1, vol. II), the proposals for revision of this programme reflect the reform package embodied in the ECE Plan of Action, adopted by the Commission at its fifty-second session, in April 1997. The Plan of Action provides a comprehensive framework for translating into action the strategic directions highlighted in the ministerial Declaration on the Strengthening of Economic Cooperation in Europe. Both the Declaration and the Plan of Action were subsequently endorsed by the Economic and Social Council in its decision 1997/224.

5. The Plan of Action provides orientation of the ECE programme of work according to three main principles: (a) focusing on areas where ECE has recognized expertise and proven advantages; (b) flexibility in the methods of work; and (c) strengthened cooperation/coordination with other regional/subregional organizations.

6. A consequence of the refocusing has been a streamlining and rationalization of the programme of work and a reduction in the corresponding intergovernmental machinery, from 14 subsidiary bodies to 7. All principal subsidiary bodies have been requested to rank

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their activities in order of priority and to define precise programmes of work for any new related bodies, with a time-frame and "sunset" clauses. The principal subsidiary bodies and their respective bureaux have also been requested to review the programme of work of other international organizations periodically in order to develop synergies and to avoid duplication, leading to an improved division of tasks and cooperation.

7. In addition, the refocusing has also led to a reorganizing of various subprogrammes; some areas of work have been strengthened, namely, environment, transport, statistics, trade facilitation and development of international trade; other areas have been streamlined and reoriented, namely, energy, timber and human settlements; the area of economic analysis has been reorganized with further concentration on the analysis of economic developments and problems in the transition economies as well as of the interdependencies within the ECE region; and the subprogramme on industry and technology has been discontinued, with some remnant activities moved to other subprogrammes.

8. The proposed revisions were reviewed by the Group of Experts on the Programme of Work established under the ECE Plan of Action to, *inter alia*, give advice on adjustments to the programme of work (see the Plan of Action (E/1997/36), annex IV). The Group of Experts met on 11 March 1998 and its suggestions were taken into account in preparing the proposals below.

A. Programme

Paragraphs 16.1 and 16.2

Replace paragraphs 16.1 and 16.2 with the following:

"16.1 The overall orientation of the programme, which is under the responsibility of ECE, is to strengthen the economic relations of the European countries, among themselves and with other countries of the world, by elaborating economic data and analysis, negotiating conventions, norms and guidelines, and enabling dialogue and exchange of information and experience. In that context, the integration efforts of countries with economies in transition into the European and global economies will be a priority. More diversified forms and methods of assistance to those countries must be developed: (a) to respond to their growing demand for policy analysis and guidelines; (b) to assist them to adhere to region-wide standards; (c) to improve their capacity to adopt legally binding instruments; and (d) to promote ways to develop their products to obtain access to and capture larger shares in western markets.

"16.2 More generally, assistance will be given to countries and groups of countries, at their request, by the regional advisers and through the Coordinating Unit for Operational Activities. Renewed attention will be given to the reconstruction of war-torn areas and to cooperation with ECE member countries in the Mediterranean region, as well as neighbouring countries of the same region, where economic and social development will be essential to underpin the peace process in the Middle East and future cooperation between European and North African States in that area."

Paragraph 16.3 At the end of the paragraph, *add* the words ", most recently, the Declaration on Strengthening Economic Cooperation in Europe and its annexed Plan of Action, both endorsed by the Economic and Social Council in its decision 1997/224".

Paragraph 16.4 *Add* a new paragraph 16.4 as follows:

"16.4 The reform identified gender-mainstreaming as a cross-sectoral concern that is an integral part of the ECE strategic directions. Along that line, the Plan of Action stipulates that mainstreaming the gender perspective has to permeate all ECE activities and all principal subsidiary bodies will therefore take this into account when they prepare, adopt and implement their programme of work."

Renumber the subsequent paragraphs accordingly.

Paragraph 16.4 (New paragraph 16.5) At the end of subparagraph (b), *add* the following:

"In particular, ECE will continue to make the results of its work in norms, standards and guidelines available to the countries of other regions. In so doing, it will make full use of its cooperative undertakings with the other regional commissions and the global programmes of the Organization".

In subparagraph (c), after the words "the Council of Baltic Ministers", *add* the words "and the South Eastern European Cooperative Initiative"and *delete* the last sentence.

Add a new subparagraph (d) as follows:

"(d) Strengthened involvement of the private sector in the work of ECE."

B. Subprogrammes

Subprogramme 16.1 Environment

Paragraph 16.6 (New paragraph 16.7) *Replace* the text of the chapeau of the paragraph with the following:

"The ultimate goal of the subprogramme is to reduce environmental loads throughout the region to levels that will not cause any significant harmful effects nor compromise environmental conditions for future generations. More specific objectives, to be pursued under the responsibility of the Environment and Human Settlements Division, are:".

Subprogramme 16.2 Transport

Paragraph 16.7 (New paragraph 16.8) In the fourth sentence, *add* the words "customs questions affecting transport," after the words "the construction of vehicles,".

Delete the last sentence.

Paragraph 16.8 (New paragraph 16.9) In the second sentence, *replace* the words "second Pan-European Ministerial Transport Conference (Crete, March 1994)" with the words "Pan-European Ministerial Transport Conferences recently held (Crete, March 1994; Helsinki, June 1997)."

Paragraph 16.9 In the last sentence, *replace* "1996" with "1997".
(New paragraph 16.10)

Subprogramme 16.3 Statistics

Paragraph 16.11 *Replace* the paragraph with the following:
(New paragraph 16.12)

"16.12 The overall objectives of this subprogramme, which will be implemented by the Statistics Division, are to coordinate all international statistical work across the region and to make a direct and substantive input to the work on statistical development in the region. To that end, the subprogramme will strive:

"(a) To respond in an efficient and effective way to the priorities and needs of national statistical offices in the ECE region through the implementation of the Conference of European Statisticians' work programme, which coordinates the statistical work of all other international agencies active in the region and determines a common set of country-specified aims and outputs;

"(b) To ensure that essential macroeconomic and other statistics on the ECE region are collected, processed and made available in a timely manner both to users within the framework of ECE – in particular the Economic Analysis Division and a number of principal Subsidiary Bodies – and to other international organizations relying on ECE for that data collection and processing;

"(c) To address the particular circumstances and needs of economies in transition in the field of statistics through the regular work programme as well as through regional advisory services and technical assistance activities;

"(d) To create the capacity in countries with economies in transition to use the system of national accounts effectively and to provide social indicators for their policy needs;

"(e) To improve national statistics;

"(f) To promote coordination and uniformity of concepts;

"(g) To ensure that ECE makes full use of appropriate information technology so as to provide the ECE secretariat with an information systems service and graphics design service aimed at achieving maximum efficiency."

Subprogramme 16.4 Trade facilitation

Paragraphs 16.12 and 16.13 *Delete* the subprogramme

(As decided within the framework of the ECE reform, this subprogramme is being incorporated into the revised subprogramme 16.7, Trade, industry and enterprise development, as described below.)

Renumber the subsequent paragraphs and subprogrammes accordingly.

Subprogramme 16.5 Economic analysis
(New subprogramme 16.4)

Paragraphs 16.14 to 16.16
(New paragraph 16.13)

Replace paragraphs 16.14 to 16.16 with the following:

"16.13 ECE work in the field of economic analysis contributes to economic integration as it permits the exchange of views and information on complex economic problems and policies, thereby improving mutual understanding among countries of the ECE region, providing an international perspective for national policy makers and, when appropriate, facilitating the convergence of their policies. This subprogramme, implemented by the Economic Analysis Division, has the following objectives:

"(a) To produce, through the *Economic Survey of Europe*, the analysis of economic developments and problems in the countries with economies in transition and their economic and financial relations with other countries of the ECE region and the rest of the world. In line with the Plan of Action, it is intended to increase the analyses of structural change and institutional problems and to provide more frequent analysis of macroeconomic developments in the countries with economies in transition. Those general directions will be reflected in a new format of the *Survey*, namely, an annual volume of three issues. The first issue of each volume will focus on developments in the ECE region in the past and coming year, with special emphasis on the economies in transition and their relations with the rest of the world; it will also deal with selected structural and institutional aspects of the transition process. The second will address selected topics, including other areas of ECE work. The third will focus on the trade and external financial relations of the economies in transition and will replace the *Economic Bulletin for Europe*;

"(b) To organize policy debates on economic problems and policies of countries of the ECE region on the basis of the *Economic Survey*. In this respect, a seminar will be held immediately prior to the annual session of the Commission to which economists from government, academic and business sectors, as well as from other international organizations, will be invited. The conclusions of the seminar will provide an input to the economic debate that will take place on the first day of the annual session;

"(c) In collaboration with UNFPA, to pursue the population activities, with a reduced resource base, relating to reproductive and family behaviour, international migration and population ageing, progressively focusing on the latter."

Renumber the subsequent paragraphs accordingly.

Subprogramme 16.6 Energy
(New subprogramme 16.5)

Modify the title of the subprogramme to read "Sustainable energy".

Paragraph 16.18 *Replace* subparagraphs (c) and (d) with the following:
(New paragraph 16.15)

"(c) To address issues such as the restructuring of the energy sector in the context of sustainable development, including energy reforms in Central and Eastern Europe, integration of energy systems, and new developments affecting energy demand and supply in the short and medium term, including pricing policies and interconnection of electric power and gas networks in the region;

"(d) To develop and implement norms and standards, including labelling and classification systems, for the sustainable production and use of energy, and to assist in the harmonization of legislation and policies dealing with the exploitation and use of energy".

Delete subparagraphs (h), (i) and (k) and *renumber* the subsequent subparagraphs accordingly.

Subprogramme 16.7 Development of international trade
(New subprogramme 16.6)

Modify the title of the subprogramme to read "Trade, industry and enterprise development".

Paragraph 16.19 *Insert* three new subparagraphs (c), (d) and (e) as follows:
(New paragraph 16.16)

"(c) To facilitate regional and international trade by simplifying, rationalizing and, where possible, standardizing procedures, formalities and requirements where these place a financial and economic burden on the free flow of goods and transport. This work on trade facilitation has the following objectives: (i) to act as the international focal point for trade facilitation standards and recommendations, in particular through the newly established Centre for Facilitation of Procedures and Practices for Administration, Commerce and Transport (CEFACT); (ii) to develop and maintain the international standard for electronic data interchange, the United Nations Electronic Data Interchange for Administration Commerce and Transport (UN/EDIFACT), in the context of a network of national, regional and international institutions engaged in the development and promotion of these standard activities; (iii) to enhance the dissemination of information on trade facilitation, in particular through electronic media. In this context, use of the trade facilitation database and the Internet/World Wide Web will be developed further; (iv) to strengthen cooperation and information exchanges with other regional commissions, UNCTAD and intergovernmental and non-governmental organizations working in the context of trade facilitation in order to avoid duplication of efforts and to create synergy in common

projects; and (v) to promote United Nations/ECE standards on the commercial quality of agricultural produce to facilitate foreign trade and distribution in domestic markets throughout the ECE region;

"(d) To increase the awareness of member countries, in particular those with economies in transition, of developments in the field of coordination and harmonization of standardization policies, conformity assessment and metrology at the international, regional and national levels. Since sound metrological practices are the basis for quality assurance, testing and certification, ECE will develop its training programme aimed at senior metrologists from countries with economies in transition. The subprogramme will also facilitate the sharing of experience of the development market economy countries that have recently adapted their legislation and administrative practices to conform with the relevant provisions of WTO and EU, with those countries which have not yet done so;

"(e) To foster activities at the interface of government and private sector responsibilities to promote the development of enterprise, in particular in countries with economies in transition, for ensuring an efficient and well-functioning market economy. Those activities will be grouped around the important cross-sectoral issues identified by the ECE Plan of Action, namely, collection of information about market trends and prospects, promotion of sustainable development and policies of privatization and restructuring. Within that framework, activities in the steel and chemical industries will continue to contribute to the integration of the market economy at the regional and global levels through the promotion of business, trade and investment and actions to promote enterprise development."

Paragraph 16.20 (New paragraph 16.17) *Delete* the first sentence and the word "Also" at the beginning of the second sentence.

Subprogramme 16.8 Industry and technology

Paragraphs 16.21 to 16.24 *Delete* the subprogramme.

(As decided within the framework of the ECE reform, this subprogramme is being discontinued. Some of its sectoral activities have been retained and moved to the revised subprogramme 16.7, Trade, industry and enterprise development. A few others might be taken up by the Coordinating Unit for Operational Activities, depending on specific requests from groups of member States.)

Renumber the subsequent paragraphs and subprogrammes accordingly.

Subprogramme 16.9 Agriculture and timber (New subprogramme 16.7)

Modify the title to read "Timber".

(Following the implementation of the ECE Plan of Action, substantial revisions were made with respect to this subprogramme. All the ECE agricultural activities were abolished, except the work on the promotion of the ECE standards for commercial quality of agricultural produce, which became a part of subprogramme 16.7, Trade, industry and enterprise development. Timber activities are carried out, as before, under the auspices of the ECE Timber Committee.)

Paragraph 16.25 *Delete* the paragraph and *renumber* the subsequent paragraphs accordingly.

Paragraph 16.26 *Replace* the paragraph with the following:
(New paragraph 16.18)

"16.18 The objectives of the subprogramme, which is implemented by the Trade Division, are:

"(a) To contribute to the achievement of sustainable management of the forest and timber sector in the ECE region by the early years of the twenty-first century, maintaining an appropriate balance between the productive, social and environmental functions of the forest. In that context, the subprogramme will help Governments, as requested, in the implementation of the commitments made at the United Nations Conference on Environment and Development and the Pan-European Ministerial Conference on the Protection of Forests in Europe;

"(b) To focus sharply on the following core activities: regular collection and publication of statistics; Temperate and Boreal Forest Resources Assessment 2000; indicators of sustainable forest management and monitoring of forestry assistance for countries with economies in transition (both developed for the Pan-European Ministerial process); review of forest products markets; and long-term outlook for the forest and timber sector;

"(c) To emphasize an integrated sector-wide approach, covering forestry, markets for forest products and trade in forest products. The Timber Committee continues to maintain its close partnership with the FAO European Forestry Commission, with which it has an integrated work programme on timber and forest issues at the regional level. The cooperation with other international organizations, including ILO, UNEP, EU, the International Tropical Timber Organization and OECD will be maintained and strengthened."

Subprogramme 16.10 Human settlements
(New subprogramme 16.8)

Paragraph 16.27 *Replace* the paragraph with the following:
(New paragraph 16.19)

"The subprogramme is expected to result in the development and practical implementation of new strategies in housing policy, land

administration, urban renewal and sustainable human settlement development based on best practices and case-studies. It will also contribute to the capacity-building process in countries with economies in transition and to the establishment of housing markets and related legislation."

Paragraph 16.28 (New paragraph 16.20) *Replace* subparagraphs (a) to (f) with the following:

"(a) To promote the development of reforms in the housing and related building and financial sectors in countries with economies in transition, involving also local authorities and the private sector, in order to obtain affordable housing for all;

"(b) To promote cadastre and land registration systems, in particular with reference to countries with economies in transition, and with due regard for basic land management legislation, cadastral measures, land information systems and organization and management of the cadastre;

"(c) To promote sustainable consumption initiatives at the local level by raising public awareness about the environmental impact of individual consumption, introducing incentive measures and encouraging close cooperation and partnerships between central Governments, local and regional authorities and other major groups;

"(d) To strengthen international cooperation in the development and implementation of human settlement policies striving towards environmental, economic and social soundness and sustainable development, monitoring and analysing results in the implementation process and coordination of those policies with overall national sustainable development objectives, and building institutional capacity and professional know-how".

Paragraph 16.29 *Delete* the paragraph.

C. Legislatives mandates

Add the following as the mandate for the whole programme:

Declaration on the Strengthening of Economic Cooperation in Europe (E/1997/36, annex III) and Plan of Action (ibid., annex IV), adopted by the Commission on 22 April 1997 and subsequently endorsed by the Economic and Social Council in its decision 1997/224.